

DEFINITIONS

Administrative Expenditures: Program costs expended for administrative purposes. (A contractor's total administrative expenditures may not exceed twenty-five (25) percent of the program costs without prior written approval from the Executive Director of the Department of Human Services or his/her designee.)

Assignment: To give or transfer responsibility to another. The assignee (sometimes also called "assigns") is the person who receives the right or property being given and the assignor is the person giving. Under DHS Service Contracts, the Contractor cannot "assign" its contract with DHS to another entity.

CFDA Number: Catalog of Federal Domestic Assistance compliance number. The Catalog describes all 1,454 federal domestic assistance programs. It contains information on all financial and non-financial assistance programs administered by the departments and establishments of the Federal government. For more information, see <http://aspe.os.dhhs.gov/cfda>.

Conflict of Interest: A conflict between the private interests and the official or professional responsibilities of a person in a position of trust.

Cost Principles: A detailed description of the normal operating costs of a provider of services that are allowable or unallowable per Federal and State (DHS) guidelines relating to funds received from DHS. The list of cost principles are found in the Federal Government's Office of Management and Budget's Circulars and this manual.

Cost Reimbursement: Money paid as reimbursement for allowable costs incurred in meeting the terms of a specific contract.

Cost Summary: A summary of a Contractor's operating costs for a selected period of time that is submitted to BCM for the purpose of assisting in the rate setting process.

Data Source: The person, item, thing, or method from/by which information necessary to answer a specific question (objective) will be obtained. See *also* Indicators

Debar: To exclude, bar, or shut out from having or doing something.

De novo: A Latin word that means "new". This term is used to refer to a trial, which starts over, which wipes the slate clean and begins all over again, as if any previous partial or complete hearing had not occurred.

DHS Code of Conduct: DHS Policy 5-03. Often referred to as the Provider Code of Conduct. The purpose of the DHS Code of Conduct is to protect vulnerable

clients from abuse, neglect, maltreatment and exploitation. It clarifies DHS' expectation of providers with regard to their interactions with clients. All Contractors providing services to clients are required to have every employee or volunteer read and sign a copy of the DHS Code of Conduct.

DHS Form 1032: A USSDS billing form used by contractors to bill DHS for non-custody (not court ordered) clients. It requires the service name, service code, number of service units and the calculated total amount.

DHS Form 520: A USSDS billing form used by contractors to bill for client based services. It requires the names of individual recipients of services, the service code, rate of service, number of units of service, and the calculated total amount.

FINET: The financial software used to track and dispense state funds. Vendor contracts are paid through FINET.

Fixed Amount: Commonly referred to as "closed-ended." DHS defines or limits the total dollar amount DHS will pay a contractor for providing services under a specific contract. The contractor shall ensure that its costs and billings do not exceed the fixed amount for the contract in question.

For Profit: An organization or entity established for the purpose of making a profit.

Governmental Agency: An agency that is part of Utah State government, for example, Department of Human Services, Department of Health, Department of Corrections, Department of Education, Department of Transportation.

Governmental Entity: A political subdivision of the State of Utah, for example, Salt Lake County, University of Utah, Jordan School District, West Jordan City.

Harassment: Unsolicited words or conduct, which tend to annoy, alarm or abuse another person. An excellent alternate definition can be found in Canadian human rights legislation as: "a course of vexatious comment or conduct that is known or ought reasonably to be known to be unwelcome." Name-calling ("stupid", "retard" or "dummy") is a common form of harassment.

Indemnification: The act of protecting a person or entity from possible damage or liability or of compensating a person or entity for actual damage, loss, or hurt incurred.

Independent Contractor: An individual or entity who contracts to provide goods or services to DHS and who provides those goods or services independent of DHS, under the Contractor's own direction and control, and using the Contractor's own supplies, tools and work-place.

Indicators: The specific data elements from a data source that will be used to evaluate the degree to which an outcome has been attained. For example, if the established objective is an increase in student achievement, one indicator of such achievement may be standardized achievement test scores. See *also* Data Source.

Insurance: The contract between two parties wherein the insurer, in return for payment of a specified premium by the insured, agrees to indemnify the insured party against loss or damage sustained as a result of a specified peril or contingency.

IRS Number: A number assigned by the federal government for tax purposes. The IRS number can be either an E.I.N. (Employer Identification Number) or a SS# (Social Security Number). Self-employed business owners use their SS# and all other groups or organizations use their E.I.N. number.

Matching Funds: Funds provided by the contractor or a government agency at an established rate to match funds provided by DHS.

Negligence: Failing to exercise the degree of care a reasonable person in similar circumstances would exercise to protect others from a foreseeable and unreasonable risk of harm. The failure to act as a reasonable person would be expected to act in similar circumstances (i.e. "negligence") may give rise to liability for monetary or other damages. A more serious type of negligence is gross negligence. Gross negligence is conduct that indicates a reckless disregard for the safety or property of others.

Non-Fixed Amount: Commonly referred to as "open-ended". There is no fixed dollar amount or cap that DHS may pay to the contractor for providing contracted services. Payments to the contractor will be based on a "unit of service." See also: "Unit of Service."

Non-Profit Corporation: A corporation or foundation which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; and (2) does not distribute any part of its income to its members, trustees, or officers.

Objective: Something worked toward; something one is trying to achieve or accomplish. Measurable objectives are typically time limited, observable, and have a clear criteria for success.

Partnership: A business organization in which two or more persons carry on a business together. Partners are each fully liable for all the debts of the enterprise but they also share the profits exclusively. Many states have laws, which regulate partnerships and may, for example, require some form of registration and partnership agreements. One of the basic advantages of partnerships is that

they tend to allow business losses to be deducted from personal income for tax purposes (see also limited partner).

Procurement: Buying, purchasing, renting, leasing, leasing with an option to purchase, or otherwise acquiring any supplies, services, or construction. It also includes all functions that pertain to the obtaining of any supply, service, or construction, including description of requirements, selection, and solicitation of sources, preparation, and award of a contract, and all phases of contract administration. The State of Utah has many laws, regulations and procedures to govern the purchases made by any Utah State Agency. Before purchasing any item or entering into any contract, the Division is responsible to ensure that State Procurement procedures have been followed.

Professional Liability Insurance (Malpractice): Insurance on a professional practitioner that will (1) defend suits instituted against him for malpractice, and/or (2) pay any damages set by a court, subject to policy limits. A form of insurance that indemnifies the insured for any loss sustained because of an error or oversight on his part. For instance, an insurance agency purchases this type of coverage to protect itself against losses from such things as failing to issue a policy.

Professional: a member of a learned profession. A doctor and an LCSW are examples of "professionals."

Program Description: See Scope of Work.

Related Parties: Any individual who is related by "blood" or "organization contract" to a director, officer or employee of the Contractor who could have decision making authority pertaining to that individual's relationship with the Contractor. "Related by blood" includes spouse, parent, child, sibling, uncle, aunt, nephew, niece, first cousin and any in-laws. "Organization Control" involves 10% or more ownership or directors and officers of an organization. Example of blood relationship: A caseworker of a provider has authority to decide where to buy supplies for the day care center. The owner of the store where supplies are often purchased is a brother-in-law to the caseworker. Example of organization contract; The finance director of a provider who authorizes payments and signs checks is a 20% partner in an organization that provides janitorial services at the Contractor's facilities.

Scope of Work: A detailed account of what the Contractor is required and/or has agreed to do in return for payment under the contract.

Service Provider: An individual or organization that receives funds from DHS for services provided to clients of DHS under a program developed by DHS.

Sole Proprietor: A business owned and controlled by one person who is solely liable for its obligations.

Subcontract: A contract between a party to an original contract and a third party that assigns part or all of the performance required in the original contract to the third party.

Subrecipient: A Subrecipient is a non-federal governmental entity, non-profit or for-profit organization that develops and operates its own program of services for eligible clients and that receives federal funds from the Department of Human Services under an arrangement whereby the department serves as a “recipient” and “pass-through entity” for such federal funding.

Subrogation: An equitable doctrine holding that when a third party pays a creditor or obligee the third party succeeds to the creditor's rights against the debtor or obligor. For example, if an insurance company pays a claim on behalf of its insured even though its insured was not responsible for the damages incurred, the insurance company may thereafter seek reimbursement of the amount it paid out from the responsible party.

Third Party Resources: Other sources of funds available to a Contractor to pay for the services rendered to clients. These sources could include but not limited to client fees, Medicaid and private insurance, other government agencies, churches, charities, client's family, etc.

Unit of Service: A payment arrangement wherein the Contractor is paid a set rate for each unit of service it provides DHS clients. The rate the Contractor is paid is either the maximum allowable rate established by the Department for the type of service being provided or a lower, negotiated rate agreed upon by the parties.

USSDS: The financial software used to track and dispense DHS funds for contracted client services. Most DHS contracts for client services are paid through USSDS.